

April 28, 2005
SIP STEERING COMMITTEE MEETING SUMMARY

In Attendance:

- Howard Bernstein, DOER
- Dave Conroy, EPA
- Richard Burkhart, EPA
- David Cash, EOEa
- Richard Rothstein, KM CHNG Environmental
- John LeFebvre, Polaroid
- Paula Hamel, Dominion Energy New England, Inc.
- Jim Cope, OTP
- Beverly Woods
- Wig Zamore, MVTF, STEP

DEP Staff:

- Paul Davis
- Richard Fields
- Eileen Hiney
- Azin Kavian
- Ken Santlal
- Steve Dennis
- Christine Kirby

Inspection & Maintenance Program Update

Paul Davis updated the committee on I&M program developments. He handed out a graph showing that audit failure rates have dropped below the 10 percent reliability standard, an improvement he attributed to new and better equipment. The improvement is timely since DEP's June 1, 2004 contract amendment with A-Plus (formerly known as Agbar), designates June 1, 2005, as the date the reliability standard becomes effective.

If the reliability standard in the contract is not met, A-Plus will be required to pay liquidated damages. DEP believes the combination of the improved testing reliability and the wider penetration of On-Board Diagnostics will offset the 10 percent NOx emissions reduction shortfall that was attributable to I&M program deficiencies.

Low Emission Vehicle Program

Christine Kirby reported on the Massachusetts Low Emission Vehicle (LEV) program noting that the MA LEV regulation will be revised to reflect two program changes. Under the Clean Air Act, California may adopt its own motor vehicle emissions standards and other states are permitted to adopt the California standards. Massachusetts' legislation passed in 1990 requires the adoption of California motor vehicle standards if such standards are more protective than the federal program. This necessitates periodic revisions to the MA LEV regulation, to insure consistency with California's program.

DEP's first revision will incorporate a voluntary alternative compliance plan related to the Zero Emission Vehicle (ZEV) mandate; the alternative compliance plan (ACP) will reflect California's move toward fuel cell ZEVs versus electric vehicles. (A public hearing on the proposed ACP is scheduled for July 21, 2005.) The second revision will incorporate the California Greenhouse Gas Standards applicable for model year 2009 passenger cars and light-duty trucks by the end of calendar year 2005, which California is in the process of finalizing.

She noted that the National Academy of Sciences is conducting a review of California and other states' processes to set motor vehicle emission standards that differ from the EPA standards.

EPA's final Clean Air Interstate and Mercury Rules

Dave Conroy reported on EPA's Clean Air Interstate Rule (CAIR) promulgated on March 10, 2005, which will reduce SO₂ and NO_x emissions from power plants. Referring to a slide presentation (which will be e-mailed to the committee) he described EPA's rationale and methodology for the final rule.

EPA determined that a state is subject to CAIR NO_x and SO₂ emissions reduction requirements if it makes a significant contribution to ozone and PM nonattainment in individual states. Massachusetts was determined to contribute to ozone nonattainment but not to PM nonattainment; therefore, it is subject to the CAIR ozone season NO_x program requirements but not to the CAIR annual NO_x or SO₂ program.

EPA developed NO_x and SO₂ emissions budgets for states subject to CAIR based on the application of “highly cost-effective controls” on electric generating units (EGUs). States may employ a cap and trade approach and have discretion as to which sources to control and how to allocate allowances.

EPA’s CAIR modeling projects fewer and smaller non-attainment areas for ozone and PM_{2.5} after implementation of CAIR-required reductions; however, there will still be areas of “residual non-attainment” that will need to adopt additional local control measures in order to attain the 8-hour ozone standard, the PM 2.5 standard, or both. Under EPA’s CAIR modeling, Massachusetts is shown to be in attainment of both the ozone and PM standards in 2010. Eileen said that DEP is concerned about whether the more-detailed SIP-quality modeling that will be required as part of the 8-hour ozone attainment SIP will demonstrate timely attainment of the ozone standard in Massachusetts.

Dave also discussed EPA’s Clean Air Mercury Rule (CAMR) promulgated on March 15, 2005. The rule will establish caps on power plant mercury emissions in two phases and permits states to participate in an optional cap and trade program. The first phase, a 38-ton cap, will result as a co-benefit of CAIR reductions of SO₂ and NO_x. The second phase, due in 2018, will further cap coal plants, bringing emissions down to 15 tons. Eileen commented that EPA’s mercury rule is very controversial, particularly with respect to the trading of mercury allowances. Massachusetts and 8 other states have filed a lawsuit challenging EPA’s cap-and-trade approach to regulating mercury emissions.

8-hour Ozone Standard Implementation

Eileen noted that the last two SIP Steering meetings have included reports on key elements of the 8-hour ozone SIP development: the 2002 base year emissions inventory; and a projected 2009 inventory that incorporates all the emission reductions that are anticipated as of that year from control measures already “on the books” or “on the way.” She said that work on both of these elements is ongoing and that there have been a number of SIP planning meetings and calls since January to consider these and other planning issues.

The NESCAUM Attainment Planning Committee is taking the lead on the planning effort and bringing in OTC states for discussion to consider issues on the broadest possible regional scale.

She distributed and discussed a number of documents that outline the role of this Attainment Planning Committee, as well as various subcommittees, an outline of the SIP planning work elements and a timetable for multiple SIP requirements for ozone, PM 2.5, Regional Haze and CAIR.

NEXT MEETING - July 26, 2005 10 a.m.